combining a portion of Chang's disclosed second embodiment with Chang's disclosed first embodiment.

Chang's first embodiment discloses a conventional <u>telephone set 11</u> connected to PC 14 (paragraph [0037], Fig. 1). This conventional telephone set 11 is not equivalent to Applicants' claimed IP telephone apparatus. Chang's second embodiment discloses <u>telephone 130/131</u>, which is not connected to a computer (paragraphs [0072]-[0076], Figs. 9A and 9B). Specifically, because telephone 130/131 includes microprocessor 138, it does not need to be connected to a computer to utilize VOIP capabilities (paragraph 0074).

Because Chang fails to disclose an IP telephone apparatus that is "connected to the personal computer that is connected to the computer network," claims 1, 13, and 19 are patentable over Chang. Further, claims 3, 6, 15, and 18 are patentable for at least the reasons that claims 1 and 13 are patentable, as well as for the additional features they recite.

The Office Action rejects claims 1-5, 8, 11-17, and 19-24 under 35 U.S.C. §102(e) over U.S. Patent No. 6,404,764 to Jones et al. (hereinafter "Jones"). Applicants respectfully traverse the rejection.

Jones at least fails to disclose an IP telephone apparatus "connected to the personal computer that is connected to the computer network," as recited in claims 1, 13, and 19. The Office Action alleges that the system controller 32 of Jones is a "personal computer." However, the system controller 32 is simply a microchip (C3/L5-26) and is not a "personal computer," as is generally known in the art (i.e., having a monitor, keyboard, mouse, etc.). Thus, Jones fails to disclose an IP telephony device connected to a personal computer.

Because Jones fails to disclose an IP telephone apparatus that is "connected to the <u>personal computer</u> that is connected to the computer network," claims 1, 13, and 19 are patentable over Jones. Further, claims 2-5, 8, 11, 12, 14-17, and 20-24 are patentable for at

least the reasons that claims 1 and 13 are patentable, as well as for the additional features they recite.

For example, Jones also fails to disclose that a notification is <u>displayed</u> to a user that at least one of general telephone using the telephone calling function and network telephone using the network calling function is being in operation, as recited in claims 3 and 15.

The Office Action alleges that a displaying feature is disclosed in col. 10, lines 48-55, of Jones (Office Action, p. 4). However, in col. 10, lines 48-55, Jones simply discloses that "caller identification" can be provided to the user by display. As defined in detail in col. 6, line 30 - col. 9, line 26, of Jones, such caller identification information only identifies information related to the caller. Importantly, the displayed caller identification information does not indicate whether the call is PSTN-based or VOIP-based. The system of Jones only uses an <u>audio</u> indication to indicate whether the call is PSTN-based or VOIP-based (C6/L19-23). Thus, Jones cannot be considered to disclose <u>displaying</u> to a user that at least one of general telephone using the telephone calling function (PSTN) and network telephone using the network calling function (VOIP) is being in operation, as recited in claims 1, 13, and 19.

The Office Action rejects claims 6, 9, and 18 under 35 U.S.C §103(a) over Jones in view of Chang and rejects claims 7 and 10 under 35 U.S.C §103(a) over Jones and Chang in view of U.S. Patent Publication No. 2004/0204125 to Messel. Applicants respectfully traverse the rejections.

In particular, these rejections are premised upon the presumption that either Jones or Chang disclose all of the features of claims 1 and 13. Because, as discussed above, neither Jones nor Chang disclose all of the features of claims 1 and 13, the rejections are improper. Applicants respectfully request withdrawal of the rejections.

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In view of at least the foregoing, Applicants respectfully submit that this application is in condition for allowance. Applicants earnestly solicit favorable reconsideration and prompt allowance of the pending claims.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, Applicants invite the Examiner to contact the undersigned at the telephone number set forth below.

Respectfully submitted,

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Date: December 26, 2006

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